

ELECTRONICALLY FILED

February 13, 2007

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 Equity Security Holders Of USA Capital First Trust Deed Fund, LLC

**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEVADA**

In re:) BK-S-06-10725-LBR
 USA COMMERCIAL MORTGAGE COMPANY,) Chapter 11
 Debtor.)

In re:) BK-S-06-10726-LBR
 USA CAPITAL REALTY ADVISORS, LLC,) Chapter 11
 Debtor.)

In re:) BK-S-06-10727-LBR
 USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,) Chapter 11
 Debtor.)

In re:) BK-S-06-10728-LBR
 USA CAPITAL FIRST TRUST DEED FUND, LLC,) Chapter 11
 Debtor.)

In re:) BK-S-06-10729-LBR
 USA SECURITIES, LLC,) Chapter 11
 Debtor.)

Affects

- ☐ All Debtors
☐ USA Commercial Mortgage Co.
☐ USA Securities, LLC
☐ USA Capital Realty Advisors, LLC
☐ USA Capital Diversified Trust Deed
☒ USA First Trust Deed Fund, LLC

Hearing

Date: March 15, 2007
 Time: 9:30 a.m.
 Place: Courtroom #1

**NOTICE OF FILING AND HEARING RE SIXTH OMNIBUS OBJECTION OF THE OFFICIAL
 COMMITTEE OF EQUITY SECURITY HOLDERS OF USA CAPITAL FIRST TRUST DEED
 FUND, LLC – CLAIMS BASED ON PREPETITION EQUITY SECURITY INTERESTS OF USA
 CAPITAL FIRST TRUST DEED FUND, LLC FILED BY ARISTOTLE MELONAS TTEE FOR
 THE MAGIC TRUST; ARISTOTLE MELONAS TTEE OF AMERICAN SAND & GRAVEL;
 GWEN MELONAS TTEE OF THE GEORGE MELONAS TRUST; ARISTOTLE MEONAS
 TTEE IN TRUST FOR SIMON MELONAS AND CELESTE MELONAS; LOUIS H. AND
 SHIRLEY M. TURNER OF LOUIS H. AND SHIRLEY M. TURNER FAMILY TRUST DATED
 9/9/97; THE CHIAPPETTA TRUST PAT & JOHN CHIAPPETTA; PAT CHIAPPETTA IRA;
 AND JOANN CHIPPETTA IRA (AFFECTS DEBTOR USA CAPITAL FIRST TRUST DEED
FUND, LLC)**

1 **TO: ARISTOTLE MEONAS (on account of claims filed by ARISTOTLE MELONAS**
 2 **TTEE FOR THE MAGIG TRUST; ARISTOTLE MELONAS TTEE OF**
 3 **AMERICAN SAND AND GRAVEL; ARISTOTLE MELONAS TTEE IN**
 4 **TRUST FOR SIMON MELONAS AND CELESTE MELONAS; GWEN**
 5 **MELONAS TTEE FOR OF THE GEORGE MELONAS)**
 6 **JOANN CHIAPPETTA (on account of claims filed by THE CHIAPPETTA TRUST**
 7 **PAT & JOHN CHIAPPETTA; PAT CHIAPPETTA IRA; JOANN**
 8 **CHIAPPETTA IRA)**
 9 **LOUIS H. & SHIRLEY M. TURNER (on account the claim filed by LOUIS H. AND**
 10 **SHIRLEY M. TURNER OF LOUIS H. AND SHIRLEY M. TURNER**
 11 **FAMILY TRUST 9/9/97)**
 12 **USA CAPITAL FIRST TRUST DEED FUND, LLC**
 13 **U.S. TRUSTEE**
 14 **ALL PARTIES IN INTEREST**

15 **PLEASE TAKE NOTICE** that on February 13, 2007, the "Sixth Omnibus
 16 **Objection of the Official Committee of Equity Security Holders of USA Capital First Trust**
 17 **Deed Fund, LLC – Claims Based on Prepetition Equity Security Interests of USA Capital**
 18 **First Trust Deed Fund, LLC"** (the "Objection") was filed by the Official Committee of Equity
 19 Security Holders of USA Capital First Trust Deed Fund, LLC (the "FTDF Committee"). **The**
 20 **Objection has been filed to reconcile various claims made against FTDF with the books and**
 21 **records of the FTDF. You should read it. You filed a proof of claim that makes a claim**
 22 **that is different than your interest shown in the books and records of FTDF.**

23 Pursuant to the Objection, the FTDF Committee objects to the proofs of claim
 24 referenced therein (the "Claims on Equity Interests") on the grounds that they do not reflect
 25 "claims" against USA Capital First Trust Deed Fund, LLC (the "FTDF") as that term is defined in
 26 Bankruptcy Code section 101(5). Rather, the Claims on Equity Interests reflect "equity security"
 27 interests based on the membership interests in the FTDF. Accordingly, the FTDF Committee's
 28 position is that the Claims on Equity Interests should be reclassified as proofs of interest in the
 amounts set forth on Exhibit "1" to the Objection. Furthermore, the Claims on Equity Interests
 should be disallowed to the extent they assert amounts in excess or other than those reflected in the
 Debtors' books and records as the amount of a particular member of the FTDF's ("FTDF Member")
 interest in the FTDF as of the Petition Date, which amounts are set forth on Exhibit "1" to the
 Objection. By the Objection, the FTDF Committee does not seek to prejudice the rights of any
 FDTF Member who filed a Claim on Equity Interest (the "Claimants") to recover from the FTDF

estate on account of his or her membership interest in the FTDF but simply seeks the entry of a Court order that would (a) properly classify the Claims on Equity Interests that have been filed by the Claimants as proofs of interest in the amount of each Claimant's respective equity interest in the FTDF and (b) disallow the Claims on Equity Interests to the extent that they assert amounts in addition to or other than each Claimant's equity interest in the FTDF as of the Petition Date or are duplicative of other Claims on Equity Interests. This will effectuate a pro rata distribution to all similarly situated equity holders. The Claims on Equity Interests to which this notice relates and the requested treatment of such claims by the FTDF Committee are as follows:

Claim No.	Claimant	Account ID #	Date of Claim	Claim Amount	Amount of Equity Interest Per Debtors' Records	Proposed Disposition
30	Aristotle Melonas Ttee for the Magic Trust	10805	July 24, 2006	\$551,616.50	\$551,616.50	Reclassify as proof of interest in the amount of \$551,616.50.
31	Aristotle Melonas Ttee of American Sand & Gravel	5962	July 24, 2006	\$170,635.00	\$170,635.00	Reclassify as proof of interest in the amount of \$170,635.00.
32	Gwen Melonas Ttee of the George Melonas	4349	July 24, 2006	\$575,000.00	\$575,000.00	Reclassify as proof of interest in the amount of \$575,000.00.
33	Aristotle Melonas Ttee in Trust for Simon Melonas and Celeste Melonas	6727	July 24, 2006	\$21,728.50	\$21,728.50	Reclassify as proof of interest in the amount of \$21,728.50.

Claim No.	Claimant	Account ID #	Date of Claim	Claim Amount	Amount of Equity Interest Per Debtors' Records	Proposed Disposition
35	Louis H. and Shirley M. Turner of Louis H. and Shirley M. Turner Family Trust 9/9/97	6484	August 10, 2006	\$50,000.00	\$50,000.00	Reclassify as proof of interest in the amount of \$50,000.00.
36	The Chiappetta Trust Pat & JoAnn Chiappetta	4184	August 11, 2006	\$39,596.00	\$39,596.00	Reclassify as proof of interest in the amount of \$39,596.00.
37	Pat Chiappetta IRA	4062	August 11, 2006	\$39,596.00	\$39,596.00	Reclassify as proof of interest in the amount of \$39,596.00.
38	JoAnn Chiappetta IRA	4071	August 11, 2006	\$39,596.00	\$39,596.00	Reclassify as proof of interest in the amount of \$39,596.00.
39	Louis H. and Shirley M. Turner of Louis H. and Shirley M. Turner Family Trust 9/9/97	6484	August 10, 2006	\$50,000.00	\$50,000.00	Disallow claim in full as duplicative of claim no. 35.

PLEASE TAKE FURTHER NOTICE that the hearing on the Objection will be held before the Honorable Linda B. Riegle, United States Bankruptcy Judge, in the Foley Federal Building, 300 Las Vegas Boulevard South, Courtroom 1, Las Vegas, Nevada, on **March 15, 2007, at the hour of 9:30 a.m.**

PLEASE TAKE FURTHER NOTICE that this hearing may be continued from time to time without further notice except for the announcement of any adjourned dates and time at the above noticed hearing or any adjournment thereof.

1 **PLEASE TAKE FURTHER NOTICE** that any response to the Objection must
2 be filed by **March 8, 2007** pursuant to Local Rule 3007(b), which states:

3 If an objection to a claim is opposed, a written response must be
4 filed and served on the objecting party at least 5 business days
5 before the scheduled hearing. A response is deemed sufficient if it
6 states that written documentation in support of the proof of claim
7 has already been provided to the objecting party and that the
8 documentation will be provided at any evidentiary hearing or trial
9 on the matter.

8 If you object to the relief requested, you *must* file a **WRITTEN** response to this
9 pleading with the court. You *must* also serve your written response on the person who sent you
10 this notice.

11 If you do not file a written response with the court, or if you do not serve your
12 written response on the person who sent you this notice, then:

13 ! The court may *refuse to allow you to speak* at the scheduled hearing; and
14 ! The court may *rule against you* without formally calling the matter at the
15 hearing.

16
17 DATED: February 13, 2007

18 /s/ Andrew M. Parlen
19 Andrew M. Parlen, Esq.
20 Stutman, Treister & Glatt
21 Professional Corporation
22 Counsel to the Official Committee of Equity
23 Security Holders of USA Capital First Trust
24 Deed Fund, LLC
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